WASHINGTON, DC – Congressman Joe Courtney today applauded the Commodity Futures Trading Commission (CFTC) after it voted to approve position limits on participants in key energy and agricultural commodity contracts. Once implemented, the new limits will reduce the influence of speculators who have driven up gas prices across the country.

"I am pleased that the CFTC majority followed the law and issued the first pro-consumer protections in the commodities market since the late 90s," said Congressman Courtney. "Back then, Washington made the disastrous decision to allow markets to be swallowed up by speculators who had no commercial connection to production or distribution of essential goods that all Americans depend on for a basic standard of living. There are questions whether this set of rules are sufficient, and we need to closely monitor the agency's implementation to ensure that the full intent of the Wall Street Reform Law is accomplished, but today's vote is a positive first step."

According to a 2008 report, the percentage of speculators in the commodities future markets has exploded – from 22.7 percent in 1998 to 68.7 percent in 2008. In the oil markets, speculation has increased from 15.9 percent to 57.4 percent in the same period. According to Goldman Sachs, speculation has contributed up to $27 to the price of a barrel of oil. Some analyses point to speculation adding $1 to the cost of each gallon of gas.

Congressman Courtney has been a leading voice in Congress in calling for rules to limit the impact of speculators who buy and sell commodities without ever taking possession of oil. He has urged the CFTC to accelerate their rule-making process both with letters and in hearings of the House Agriculture Committee. He has also urged action in speeches in the House.

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